

Message Text

CONFIDENTIAL

PAGE 01 PEKING 00212 240124Z
ACTION EA-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 CU-04 /063 W
-----112766 240652Z /13

R 230926Z JAN 78
FM USLO PEKING
TO SECSTATE WASHDC 9716
INFO AMEMBASSY TAIPEI
AMEMBASSY TOKYO
AMCONSUL HONG KONG
CINCPAC HONOLULU HI

C O N F I D E N T I A L PEKING 0212

CINCPAC FOR POLAD

NOFORN

E.O. 11652: XGDS-2
TAGS:, CH TW US SOPH

SUBJ: "REFERERENCE NEWS" COVERAGE OF TAIWAN

REF: (A) PEKING 183; (B) PEKING 156

1. SUMMARY. TWO ISSUES IN A RECENTLY OBTAINED COLLEC-
TION OF EARLY JANUARY ISSUES OF THE PRC'S RESTRICTED
PRESS DIGEST, "REFERENCE NEWS", CONTAINED SEVERAL DE-
TAILED ARTICLES ABOUT TAIWAN'S POLITICAL, ECONOMIC AND
SOCIAL LIFE. WHILE ONE OF THE ARTICLES DETAILED AND
GLORIFIED TAIWAN'S ECONOMIC MIRACLE, THE MESSAGE IS
CLEAR: POST NORMALIZATION CAPITAL FLIGHT AND POLITICAL
INSTABILITY ARE ON EVERYONE'S MIND. END SUMMARY.

2. USLO RECENTLY OBTAINED ELEVEN LATE DECEMBER AND
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PEKING 00212 240124Z

EARLY JANUARY ISSUES OF THE PRC'S RESTRICTED FOREIGN
PRESS DIGEST, "REFERENCE NEWS" (TS'AN-KAO HSIAO-HSI)
(REFTELS). THE JANUARY 12 AND 14 ISSUES BOTH CON-
TAINED DETAILED ARTICLES ABOUT THE SOCIAL, POLITICAL
AND ECONOMIC SITUATION ON TAIWAN.

2. THE MOST INFORMATIVE OF THESE ARTICLES IS THE

REPLAY OF EXCERPTS FROM AN ARTICLE IN THE AUGUST 22, 1977 ISSUE OF TIME MAGAZINE: "TAIWAN: STRUGGLE FOR SURVIVAL". THE ARTICLE COVERED MOST OF THE LAST PAGE OF THE ISSUE AND DETAILED THE SITUATION ON TAIWAN PRIOR TO SECRETARY VANCE'S LATE AUGUST VISIT TO PEKING. TAIWAN IS DEPICTED AS ECONOMICALLY ADVANCED (22ND LARGEST TRADING NATION IN THE WORLD) AND PROSPEROUS (MOTORCYCLES, A "FORREST" OF TV ANTENNAS) DESPITE GROWING DIPLOMATIC ISOLATION. ECONOMIC SUCCESS HAS EARNED THE "LOYALTY" OF THE PEOPLE, AND EVEN CHIANG CHING-KUO RECEIVES RESPECT FOR ELIMINATING THE HATRED BETWEEN THE TAIWANESE AND THE MAINLANDERS. HOWEVER, LIFE IS FAR FROM RELAXED AND POLITICAL PROBLEMS EXIST. THERE ARE STILL "SEVERAL HUNDRED" POLITICAL PRISONERS AND THAT LESSON IS NOT LOST ON THOSE WHO ADVOCATE TALKS WITH PEKING OR RELATIONS WITH THE SOVIET UNION, THE ARTICLE NOTED.

3. THE ARTICLE UNDERSCORED THE IMPORTANT ROLE THAT ECONOMIC STRENGTH WILL HAVE FOR THE ISLAND'S FUTURE. HOWEVER, PEOPLE ARE NERVOUS IN TAIPEI (IN AUGUST) ON THE EVE OF SECRETARY VANCE'S TRIP TO PEKING. VISA APPLICATIONS AT THE US CONSULATE IN TAIPEI ARE UP AND EVEN SOME EXPERTS BELIEVE THAT WHEN NORMALIZATION COMES, MORALE WILL COLLAPSE FROM ALMOST TOTAL

CONFIDENTIAL

PAGE 03 PEKING 00212 240124Z

ISOLATION AND THE ECONOMY WILL BE HURT BY CAPITAL FLIGHT.

4. THE JANUARY 12 ISSUE ALSO CARRIED TWO OTHER ARTICLES FROM TAIWAN NEWSPAPERW: EXCERPTS FROM A DECEMBER 18 "UNITED DAILY NEWS" ARTICLE ON GEOTHERMAL ENERGY POTENTIAL ON TAIWAN AND A DECEMBER 23 ARTICLE FROM THE "CENTRAL DAILY NEWS" ENTITLED "INCREASE EFFORTS TO NIP IN THE BUD AND PUNISH SMUGGLING". THE LATTER ARTICLE WARNED THAT THE PRC IS USING ILLICIT TRADE VIA HONG KONG AND MACAO TO INFILTRATE TAIWAN.

5. THE JANUARY 14 ISSUE ALSO REPLAYED SEVERAL ARTICLES ABOUT THE POLITICAL SITUATION ON TAIWAN. AN ARTICLE FROM THE HONG KONG MONTHLY KUANGCHIAO CHING (1639/6037/6975) DISCUSSED THE POWER OF THE PRESIDENCY IN TAIWAN WHICH IS FOLLOWED BY A JANUARY 7 CNA REPORT OF CHIANG CHING-KUO'S NOMINATION FOR THE PRESIDENCY OF THE REPUBLIC OF CHINA. TERMINOLOGY SUCH AS "REPUBLIC OF CHINA" OR "COMMUNIST BANDITS" APPEARED UNALTERED.

6. COMMENT: IT IS NOT UNUSUAL FOR "REFERENCE NEWS" TO CARRY ARTICLES ABOUT TAIWAN BUT THE FIVE MONTH DELAY IN REPRINTING THE TIME MAGAZINE ARTICLE IS SURPRISING. ONE POSSIBILITY IS THAT OTHER ISSUES NOT AVAILABLE TO USLO REPRINTED ARTICLES WHICH PAINT A MORE GLOOMY PICTURE OF TAIWAN'S ECONOMY. ALTERNATIVELY, THE RECENT RE-EMPHASIS ON PRC UNITED FRONT WORK MIGHT ALSO BE ENCOURAGING THE FREER FLOW OF INFORMATION ABOUT THE ISLAND.

7. COPIES POUCHED TO HONG KONG, TAIPEI, AND EA/ROC.
WOODCOCK

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, POLITICAL STABILITY
Control Number: n/a
Copy: SINGLE
Draft Date: 23 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PEKING00212
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X2
Errors: N/A
Expiration:
Film Number: D780034-1157
Format: TEL
From: PEKING
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780133/aaaabcbz.tel
Line Count: 128
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 90fc24e1-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 PEKING 183, 78 PEKING 156
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 13 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3730757
Secure: OPEN
Status: NATIVE
Subject: \"REFERERNC NEWS\" COVERAGE OF TAIWAN
TAGS: SOPN, CH, TW, US
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/90fc24e1-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014